



Form North Dakota Office of State Tax Commissioner

58 Partnership income tax return**2006**

A This return is filed for: <input type="checkbox"/> Calendar year 2006 (Jan. 1 - Dec. 31, 2006) <input type="checkbox"/> Fiscal year: Beginning _____, 2006, and ending _____, 20____		
B Partnership's name (legal) Doing business as name (if different from legal name) Mailing address City _____ State _____ Zip Code _____		C Federal EIN * D Business code no. (from Form 1065) E Date business started F Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Filed by an LLC <input type="checkbox"/> Amended return <input type="checkbox"/> Composite return <input type="checkbox"/> Extension
G TOTAL number of partners _____ Enter number of — Resident individual partners --- <input type="text"/> Partnership partners --- <input type="text"/> Nonresident individual partners <input type="text"/> Corporation partners --- <input type="text"/> Other types of partners <input type="text"/>		
H (1) Is this a "professional service partnership" as defined under N.D.C.C. Section 57-38-01.8(3)(a)? _____ <input type="checkbox"/> Yes <input type="checkbox"/> No (2) If "Yes," check applicable box: <input type="checkbox"/> Accounting <input type="checkbox"/> Law <input type="checkbox"/> Medicine <input type="checkbox"/> Other: _____ I Is this a publicly traded partnership as defined under I.R.C. Section 7704(b)? _____ <input type="checkbox"/> Yes <input type="checkbox"/> No J Is this partnership a partner (or member) in another partnership or limited liability company? If "Yes," attach a statement listing the name(s) and federal employer identification number(s) of each entity _____ <input type="checkbox"/> Yes <input type="checkbox"/> No		

- Before completing lines 1 through 8 on this page, complete Schedule FACT, Schedule K, and Schedule KP.
- After completing Form 58, complete North Dakota Schedule K-1 (58) for the partners.

1 Income tax withheld from nonresident individual partners (from page 4, Schedule KP, line 3) _____	▶ 1 _____
2 Composite income tax for electing nonresident individual partners (from page 4, Schedule KP, line 4) _____	▶ 2 _____
3 Total taxes due. Add lines 1 and 2 _____	▶ 3 _____
4 Estimated tax payments (using 2006 Form 58-EXT) _____	▶ 4 _____
5 Tax due. If line 3 is more than line 4, subtract line 4 from line 3; otherwise, go to line 6. If result is less than \$5.00, enter -0- _____	▶ 5 _____
6 Overpayment. If line 4 is more than line 3, subtract line 3 from line 4. If result is less than \$5.00, enter -0- _____	▶ 6 _____
7 Amount of line 6 to be credited to 2007 estimated tax _____	▶ 7 _____
8 Refund. Subtract line 7 from line 6. If result is less than \$5.00, enter -0- _____	▶ 8 _____

- Attach a complete copy of the 2006 Form 1065 or 1065-B (including Federal Schedule K-1s)
- Attach a copy of all North Dakota Schedule K-1s (Form 58)

I declare that this return is correct and complete to the best of my knowledge and belief.		* Privacy Act - See inside front cover of booklet	
Signature of general partner _____		Date _____	
Print name of general partner _____		Phone _____	
Paid preparer signature _____		Date _____	
Print name of paid preparer _____	EIN/SSN/PTIN _____	Phone _____	<input type="checkbox"/> I authorize the ND Office of State Tax Commissioner to discuss this return with the preparer identified below. For Tax Department Use Only

Mail to: Office of State Tax Commissioner, 600 E. Blvd. Ave., Dept. 127,
Bismarck, ND 58505-0599



Schedule FACT Calculation of North Dakota Apportionment Factor

IMPORTANT: All partnerships must complete the applicable portions of this schedule as follows:

- **100% ND partnership:** If the partnership conducts all of its business within North Dakota, skip lines 1 through 13, and enter 1.000000 on line 14.
- **Multistate partnership:** If the partnership conducts its business within and without North Dakota, complete lines 1 through 14 of this schedule. However, if all of the partners consist of only North Dakota resident individuals, estates, and trusts, skip lines 1 through 13, enter 1.000000 on line 14, and check this box ☐

Property factor

Average value at original cost of real and tangible personal property used in the business. Exclude construction in progress.

Column 1
Total

Column 2
North Dakota

Column 3
Factor
(Col. 2 ÷ Col. 1)

Result must be
carried to six
decimal places

1 Inventories -----	1	_____	_____	_____
2 Buildings and other fixed depreciable assets -----	2	_____	_____	_____
3 Depletable assets -----	3	_____	_____	_____
4 Land -----	4	_____	_____	_____
5 Other assets (Attach schedule) -----	5	_____	_____	_____
6 Rented property (Annual rental multiplied by 8) -----	6	_____	_____	_____
7 Total property (Add lines 1 through 6) ----- ▶	7	_____	_____	_____

Payroll factor

8 Wages, salaries, commissions and other compensation of employees reported on Federal Form 1065 (If the amount reported in Column 2 does not agree with the total compensation reported for North Dakota unemployment insurance purposes, attach an explanation.) ----- ▶

8 _____ ▶ _____ ▶ _____

Sales factor

9 Gross receipts or sales, less returns and allowances (from Federal Form 1065, page 1, line 1c) ----- 9 _____

10 Sales delivered or shipped to North Dakota destinations ----- 10 _____

11 a Sales shipped from North Dakota to the U.S. Government ----- 11a _____

b Sales shipped from North Dakota to purchasers in a state or foreign country where the partnership does not have a filing requirement ----- 11b _____

12 Total sales (Add lines 9 through 11b) ----- ▶ 12 _____ ▶ _____ ▶ _____

13 Sum of factors (Add lines 7, 8, and 12 in Column 3) ----- 13 _____

14 **Apportionment factor** (Divide line 13 by 3.0; however, if line 7, 8, or 12 of Column 1 is zero, divide line 13 by the number of factors (on lines 7, 8, and 12) showing an amount greater than zero in Column 1) ----- ▶ 14 _____



Schedule K **Total North Dakota adjustments, credits, and other items**
distributable to partners
All partnerships must complete this schedule

North Dakota addition adjustments

- 1 Federally-exempt income from non-North Dakota state and local bonds and foreign securities ----- 1 _____
2 State and local income taxes deducted on federal partnership return in calculating its ordinary income (loss) ----- 2 _____

North Dakota subtraction adjustments

- 3 Interest from U.S. obligations ----- 3 _____
4 Renaissance zone business or investment income exemption ----- 4 _____
5 New or expanding business income exemption ----- 5 _____
6 Beginning farmer deductions:
 a Gain from sale of land to a qualified beginning farmer ----- 6a _____
 b Interest income from contract for sale of land to a qualified beginning farmer ----- 6b _____
 c Rental income (less related expenses) from lease of land to a qualified beginning farmer ----- 6c _____
7 Beginning entrepreneur deductions:
 a Gain from sale of a business to a qualified beginning entrepreneur ----- 7a _____
 b Interest income from contract for sale of a business to a qualified beginning entrepreneur ----- 7b _____
 c Rental income (less related expenses) from lease of a business to a qualified beginning entrepreneur ----- 7c _____
8 Gain from eminent domain sale ----- 8 _____

North Dakota tax credits

- 9 Renaissance zone: Historic property preservation or renovation tax credit ----- 9 _____
10 Renaissance zone: Renaissance fund organization investment tax credit ----- 10 _____
11 Seed capital investment tax credit ----- 11 _____
12 Agricultural commodity processing facility investment tax credit ----- 12 _____
13 Supplier (wholesaler) biodiesel fuel tax credit ----- 13 _____
14 Seller (retailer) biodiesel fuel tax credit ----- 14 _____
15 Geothermal, solar, or wind energy device tax credit ----- 15 _____
16 Certified North Dakota nonprofit development corporation tax credit ----- 16 _____

Other items

Line 17 only applies to a professional service partnership — see instructions

- 17 a Guaranteed payments from Federal Form 1065 (or 1065-B), Schedule K ----- 17a _____
 b Portion of line 17a paid for services performed everywhere by all partners ----- 17b _____
 c Portion of line 17b paid to nonresident individual partners for services performed in North Dakota ----- 17c _____

Line 18 applies only to a multistate partnership — see instructions

- 18 a Total allocable income from all sources (net of related expenses) ----- 18a _____
 b Portion of line 18a that is allocable to North Dakota ----- 18b _____

Line 19 applies to all partnerships — see instructions

- 19 For disposition(s) of I.R.C. Section 179 property, enter the North Dakota amounts — see instructions:
 a Gross sales price or amount realized ----- 19a _____
 b Cost or other basis plus expense of sale ----- 19b _____
 c Depreciation allowed or allowable (excluding I.R.C. Section 179 deduction) ----- 19c _____
 d I.R.C. Section 179 deduction related to property that was passed through to partners ----- 19d _____



Schedule KP Partner information

All partnerships must complete this schedule

- Complete Columns 1 through 5 for EVERY partner
- Complete Column 6 if partner is a nonresident individual, estate, or trust
- If applicable, complete Column 7 or Column 8 for a nonresident individual partner only

All Partners				
Partner	Column 1 Name and address of partner <i>If additional lines are needed, attach additional pages</i>	Column 2 Social Security Number/FEIN	Column 3 Type of entity (See pg. 7 of instr.)	Column 4 Ownership %
A	Name _____ Address _____			
B	Name _____ Address _____			
C	Name _____ Address _____			
D	Name _____ Address _____			
E	Name _____ Address _____			
F	Name _____ Address _____			
G	Name _____ Address _____			

Partner	All Partners Column 5 Federal distributive share of income (loss)	Nonresident Partners Only		
		Individuals, estates, and trusts Column 6 North Dakota distributive share of income (loss)	Individuals only	
			Column 7 North Dakota income tax withheld (5.54%)	Column 8 North Dakota composite income tax (5.54%)
A				
B				
C				
D				
E				
F				
G				
1 Total for Column 5 1				
2 Total for Column 6 2				
3 Total for Column 7 . Enter this amount on Form 58, page 1, line 1 3				
4 Total for Column 8 . Enter this amount on Form 58, page 1, line 2 4				